

REVENUE SCOTLAND BOARD – SCHEME OF INTERNAL DELEGATION

Draft revision: 04/11/2015

This Scheme of Internal Delegation is made by Revenue Scotland under paragraph 7 of Schedule 1 to the Revenue Scotland and Tax Powers Act 2014.

Board Responsibility	Delegated Responsibility	Delegated To
<p>1. Governance, Scrutiny & Risk</p> <p>1.1 Ensure effective governance and scrutiny of all aspects of the business of Revenue Scotland.</p>	<p>1.1.1 Ensure that Revenue Scotland has sound internal governance arrangements and controls; and that it fully meets requirements for regularity and propriety in all its financial arrangements, including compliance with the Scottish Public Finance Manual and appropriate arrangements for the identification, management and mitigation of risks as part of a comprehensive corporate governance framework.</p> <p>1.1.2 Ensure that the Board has an opportunity to scrutinise thoroughly any novel or contentious proposals, including proposals with potential reputational consequences for Revenue Scotland, including those which otherwise fall within delegated financial limits.</p> <p>1.1.3 Take all necessary steps to ensure that the assets, interests and reputation of Revenue Scotland are properly protected; and ensure that significant issues affecting the assets, interests or reputation of Revenue Scotland are brought to Board attention as soon as possible.</p>	<p>Chief Executive</p> <p><i>(see Note at end of this document)</i></p> <p>Chief Executive</p> <p>Chief Executive</p>

Board Responsibility	Delegated Responsibility	Delegated To
<p>1.2 Establish and maintain the overall framework for risk, control and governance.</p>	<p>1.2.1 Scrutiny of strategic arrangements for risk, control and governance, accounting policies, oversight of annual accounts and other matters as agreed by the Board and set out in the Terms of Reference of the Audit and Risk Committee.</p> <p>1.2.2 Identify key risks to the effective, efficient and economical operation of Revenue Scotland arising from staffing issues and ensure that these are managed and mitigated effectively.</p> <p>1.2.3 Identify key digital system, estate or other risks to the effective, efficient and economical operation of Revenue Scotland and ensure that these are managed and mitigated effectively.</p>	<p>Audit and Risk Committee</p> <p>Chief Executive</p> <p>Chief Executive</p>
<p>1.3 Oversee a framework for the attraction, development and retention of a skilled and motivated workforce.</p>	<p>1.3.1 Provide assurance to the Board, and assistance and advice as appropriate to the Chief Executive, on the establishment and maintenance of an effective framework and systems for the remuneration, performance, development, evaluation and welfare of staff, and on other matters as agreed by the Board and set out in the Terms of Reference of the Staffing and Equalities Committee.</p>	<p>Staffing and Equalities Committee</p>

Board Responsibility	Delegated Responsibility	Delegated To
<p>2. Strategy, Planning & Performance</p> <p>2.1. Set strategic direction of the organisation, including its strategic priorities and objectives, and approval of the Corporate Plan, annual business plan and associated performance framework.</p>	<p>2.1.1 Put in place and maintain robust systems of management and control of resources to support the achievement of Revenue Scotland’s functions, policies and objectives and to meet agreed performance measures, milestones and targets set out in Corporate and Business Plans.</p> <p>2.1.2 Alert the Board to any performance, budget or delivery concerns with significant potential reputational or financial implications, or which could impact on the delivery of Revenue Scotland’s strategic aims and objectives.</p>	<p>Chief Executive</p> <p>Chief Executive</p>

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<p>2.2 Monitor performance against agreed framework and progress on Business Plan delivery. Approve remedial action where required.</p>	<p>2.2.1 Prompt and accurate reporting to the Board on achievement of performance measures, milestones and targets.</p> <p>2.2.2 Lead the delivery of strategic HR planning, and ensure that HR policies and procedures (maintained by the Scottish Government and delivered within Revenue Scotland under a shared service agreement) are effectively managed. Ensure alignment of these with Revenue Scotland strategic priorities, approving remedial action and reporting to the Board and/ or the Staffing and Equalities Committee as appropriate.</p> <p>2.2.3 Advise on the formulation and monitor delivery of Revenue Scotland’s digital strategy and platform. Ensure alignment of these with strategic priorities, approving remedial action and reporting to the Board as appropriate.</p>	<p>Chief Executive</p> <p>Chief Executive</p> <p>Chief Executive</p>
<p>2.3 Fulfil Revenue Scotland’s planning and reporting responsibilities to Scottish Ministers, the Scottish Parliament, stakeholders, taxpayers and the general public.</p>	<p>2.3.1 Ensure that adequate resources are in place for Revenue Scotland to fulfil its planning and reporting responsibilities in relation to its Charter of Standards and Values, Corporate Plan and Annual Report and Accounts; and to other reports and information as required by law or that Revenue Scotland considers relevant and appropriate to carrying out its statutory functions.</p> <p>2.3.2 Oversee provision as required to Scottish Ministers of information, advice and assistance on matters concerning tax.</p> <p>2.3.3 Oversee provision of information and assistance to taxpayers, their agents and other persons relating to the devolved taxes.</p>	<p>Chief Executive</p> <p>Chief Executive</p> <p>Chief Executive</p>

Board Responsibility	Delegated Responsibility	Delegated To
<p>2.4 Ensure that Revenue Scotland is an effective and trusted partner of the Scottish Government on tax policy, including operational policy.</p>	<p>2.4.1 Oversee effective collaboration and communications with the Scottish Government to ensure that both tax policy development and tax administration are informed by a good shared understanding.</p> <p>2.4.2 Keep the Board informed of policy proposals, including proposed policy amendments to and/ or consultations on the devolved taxes and / or further devolution of taxes and/ or tax administration. Where the Board considers that the impact on Revenue Scotland would be substantial, provide business analysis and any other evidence available to support the Board’s consideration of the issues and eventual response. For all other policy proposals, provide business analysis as appropriate as an official response.</p> <p>2.4.3 Consider and provide advice to the Board, as required, on any proposals or consultations with significant potential implications for Revenue Scotland as an employer or service provider.</p>	<p>Chief Executive</p> <p>Chief Executive</p> <p>Chief Executive</p>
<p>3. Resourcing & Expenditure</p> <p>3.1 Consider and approve the Capital and Revenue budgets for Revenue Scotland over spending review periods.</p>	<p>3.1.1 All expenditure from within budgets approved by the Board for business delivery.</p> <p>3.1.2 Ensure that investments in IT systems and other investment priorities are fully aligned to the aims and objectives set by the Board.</p>	<p>Chief Executive</p> <p>Chief Executive</p>

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3.2 Monitor provision of tax receipts information to the Scottish Government.	3.2.1 Provide information to Scottish Government DG Finance to inform the preparation of forecasts of tax receipts.	Chief Executive
3.3 Consider and approve adjustments to budgets beyond the limits delegated to the Chief Executive.	3.3.1 Transfer of budget allocation between approved cost categories up to £100k. 3.3.2 Within the budget totals agreed by the Board for IT systems, agree investment priorities and any required adjustments to budgets for relevant areas of expenditure within the limits delegated to the Chief Executive in order to ensure that investment is carried out in the optimal manner.	Chief Executive Chief Executive
3.4 Monitor and oversee a contractual framework for delivery of Revenue Scotland functions.	3.4.1 Ensure the efficient and effective use of resources in line with the principles of Value for Money and Best Value, including where appropriate through participation in collaborative procurement. Agree and maintain with the Scottish Government a series of shared service agreements for the delivery of corporate functions including costs, service arrangements and service standards.	Chief Executive
3.5 Approve any increase in permanent FTE staff numbers over current agreed baseline.	3.5.1 Scrutinise information on Revenue Scotland workforce data and its alignment with the relevant Revenue Scotland budget.	Chief Executive

Board Responsibility	Delegated Responsibility	Delegated To
3.6 Authorise payments in respect of legal claims or <i>ex gratia</i> payments above £1k.	3.6.1 Authorise payments in respect of legal claims or <i>ex gratia</i> payments up to £1k.	Chief Executive
<p>4. Tax Case Management</p> <p>4.1 Oversee the collection and management of the devolved taxes and the administration of penalties relating to those taxes.</p>	<p>4.1.1 Exercise any function conferred on Revenue Scotland that it is necessary or expedient to exercise in order to collect and manage the devolved taxes and administer (or otherwise deal with) a penalty relating to, or connected with, those taxes. This delegation is to be carried out in line with Revenue Scotland technical guidance and operational policies, and is subject to any more specific provisions of this Scheme of Internal Delegation.</p> <p>4.1.2 Without prejudice to the generality of paragraph 4.1.1, the power to designate “designated officers” under section 252 of the RSTPA.</p>	<p>Chief Executive</p> <p>Chief Executive (<i>but not any other member of staff</i>)</p>
4.2 Scrutinise and oversee the operational policy decision framework, including approval of decisions not covered by delegations to the Chief Executive.	<p>4.2.1 Approve operational policy decisions which are neither novel nor contentious and where the amount of revenue at issue does not exceed:-</p> <p>(i) in the case of Land and Buildings Transaction Tax, £100k; or</p> <p>(ii) in the case of Scottish Landfill Tax, £500k.</p> <p>Report decisions taken and any issues arising to the Board on a regular basis.</p>	Chief Executive

Board Responsibility	Delegated Responsibility	Delegated To
4.3 Scrutinise and oversee protection of the revenue against tax fraud and tax avoidance.	4.3.1 Deliver robust and proportionate compliance activity, including application of targeted anti-avoidance rules and application of the Scottish General Anti-Avoidance Rule (GAAR). All proposed applications of the GAAR will be subject to prior approval of the Board.	Chief Executive

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<p>4.4 Authorise (b) tax settlements*, (c) tax write-offs, (d) arrangements around “time to pay” and (e) other tax case-specific operational decisions where the amount of revenue at issue exceeds the limits delegated to the Chief Executive.</p> <p>*where the taxpayer and Revenue Scotland agree the position up to the closure of an enquiry</p>	<p>4.4.1 Where these are neither novel nor contentious, approve:-</p> <p>(a) all decisions in relation to fixed penalties;</p> <p>(b) tax settlements* (as defined at 4.4) where the amount of revenue at issue, including where applicable interest and penalties, does not exceed:-</p> <p>(i) in the case of Land and Buildings Transaction Tax, £100k; or</p> <p>(ii) in the case of Scottish Landfill Tax, £500k.</p> <p>(c) tax write-offs, including waiving of interest and/ or tax-geared penalties, where the revenue to be written-off does not exceed £25k;</p> <p>(d) arrangements around “time to pay” where those arrangements would apply in relation to revenue not exceeding £50k;</p> <p>(e) other tax case-specific operational decisions (e.g. in relation to applications for specific discounts or reliefs, or pre-liability rulings) where the amount of revenue at issue does not exceed :-</p> <p>(i) in the case of Land and Buildings Transaction Tax, £100k; or</p> <p>(ii) in the case of Scottish Landfill Tax, £500k.</p> <p>Report action taken and any issues arising to the Board on a regular basis.</p>	<p>Chief Executive</p>

Board Responsibility	Delegated Responsibility	Delegated To
<p>4.5 Approve decisions on tax dispute resolution beyond the delegated limit, including referrals to Tax Tribunals or appealing Tribunal decisions.</p>	<p>4.5.1 Take and implement decisions on tax dispute resolution involving amounts of revenue at issue not exceeding £50k. This includes but is not limited to all decisions relating to:-</p> <p>(a) litigation, or potential litigation, being, or to be, heard in the Tax Tribunals and Courts; and</p> <p>(b) all decisions relating to mediation or potential mediation of any case.</p> <p>Report progress and any issues arising to the Board on a regular basis.</p>	<p>Chief Executive</p>
<p>4.6 To be satisfied that appropriate arrangements are in place for handling criminal cases.</p>	<p>4.6.1 Ensure that appropriate arrangements are in place and implemented for handling potential and actual criminal cases; and ensure that information is shared with the Board as necessary and appropriate.</p>	<p>Chief Executive</p>

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<p>5. Project Approval & Management</p> <p>5.1 Approve level 1 and 2 projects.</p> <p><i>Note – Project levels are defined at the end of this document.</i></p>	<p>5.1.1 Management of project, including project expenditure within agreed budget including contingency allocation.</p> <p>5.1.2 Commission Gateway Reviews for level 1 projects.</p> <p>5.2.1 Consider and approve business cases for all level 1 and 2 IT projects. Monitor routinely level 1 project reports and monitor reports if level 1 and 2 projects are not on track.</p>	<p>Senior Responsible Owner (SRO) of each project</p> <p>SRO</p> <p>Chief Executive</p>
<p>5.2 Approve changes to business case, including budget, for level 1 and 2 projects if beyond the agreed contingency allocation for the project.</p>	<p>5.2.2 Consider and approve business cases for all level 1 and 2 Change projects for additional devolved taxes. Monitor routinely level 1 project reports and monitor reports if level 1 and 2 projects are not on track.</p>	<p>Chief Executive</p>
<p>5.3 Routine review, at least twice per year, of level 1 projects.</p>	<p>5.3.1 Routine reporting of progress on level 1 projects to Board and immediate reporting of level 1 or 2 projects no longer on track to deliver agreed outcomes.</p> <p>5.3.2 Management and review of level 3 projects.</p>	<p>SRO</p> <p>SRO</p>

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<p>6. Statutory Compliance</p> <p>6.1 Ensure Revenue Scotland meets all statutory obligations, including those relating to health and safety, employment, data protection, freedom of information and equality.</p>	<p>6.1.1 Monitor Revenue Scotland compliance with statutory obligations, keeping records of compliance achievement, taking actions within delegated limits wherever possible to ensure compliance and ensuring that statutory compliance issues are properly reflected in risk registers and annual assurance statements. Bring to the Board for decision any compliance issues which cannot be resolved within delegated authority.</p> <p>6.1.2 Scrutinise information on compliance by Revenue Scotland with its statutory and other obligations relating to health, safety & security. Report to the Board any significant risks of non-compliance which have the potential for reputational damage, legal challenge or financial impact.</p> <p>6.1.3 Scrutinise information on compliance by Revenue Scotland with its statutory and other obligations relating to employment issues. Report to the Board any significant risks of non-compliance which have the potential for reputational damage, legal challenge or financial impact.</p>	<p>Chief Executive</p> <p>Chief Executive</p> <p>Chief Executive</p>
<p>7. Communications</p> <p>7.1 Establish and keep under review a Revenue Scotland media and communications strategy.</p>	<p>7.1.1 Oversee a comprehensive proactive and reactive media and communications operation, including effective internal communications.</p> <p>7.1.2 Deliver and maintain a highly effective Revenue Scotland website and print, digital and social media profile.</p>	<p>Chief Executive</p> <p>Chief Executive</p>

Board Responsibility	Delegated Responsibility	Delegated To
<p>7.2 Approve communication plans, including media handling, and proactive announcements involving novel or contentious issues.</p>	<p>7.2.1 Oversee issuing of proactive media statements and announcements, seeking clearance from the Board/ Chair where any such statement or announcement relates to a novel or contentious matter or has potential reputational or legal impact on Revenue Scotland.</p> <p>7.2.2 Authorise reactive media statements on a day to day basis, consulting the Chair (or his nominated deputy) in advance if possible where any such statement relates to a novel or contentious matter or has significant reputational or legal impact on Revenue Scotland.</p>	<p>Chief Executive</p> <p>Chief Executive</p>

NOTES

1. Delegations to the Chief Executive

Where the Scheme delegates a responsibility to the Chief Executive that responsibility may be delivered on behalf of the Chief Executive by, or with the support of, other members of staff of Revenue Scotland, although the Chief Executive remains accountable to the Revenue Scotland Board for its effective delivery.

2. Project Levels

The Revenue Scotland Project Control Framework is based on 3 levels of project:-

Level 1 (high risk): corporate projects which are subject to the Scottish Government's Gateway Review criteria, i.e. projects with a value of £5 million or over or which are otherwise high risk or "mission critical";

Level 2 (medium risk): corporate projects which are not subject to the Gateway Review criteria or estate or other capital projects with a value between £1 million and £5 million;

Level 3 (low risk): projects within individual directorates or estate or other capital projects with a value below £1 million.